

CHANGE ANNOUNCEMENT

CALCULATING COST SHARING FOR RANCH/FARM/BUSINESS

EFFECTIVE DATE: JUNE 5, 2006

CHANGE

The process for determining the amount of cost sharing for a farmer, rancher, or business owner is being changed. To determine the gross income for a farmer, rancher, or business owner staff will use the Calculating Cost Sharing for Ranch/Farm/Business worksheet. This change is necessary as the manner in which gross income was being determined for self-employed consumers did not accurately reflect their available gross income. Implementing this change will result in a gross income figure for self-employed consumers comparable to the gross income figure used for wage earners.

VRIS UPDATE

The Calculating Cost Sharing for Ranch/Farm/Business worksheet has been posted to VRIS: Printed and Marketing Materials: Case Service Forms and Worksheets. Both a calculating and non-calculating version of this worksheet is available. The non-calculating version is formatted differently so staff can more easily calculate the gross income when they do not have access to their computer.

The Program Manual: Employment Program: Cost Sharing Chapter has been revised to reflect this change.

TEAM COMMUNICATION

Teams should thoroughly review the Cost Sharing Chapter and the Calculating Cost Sharing for Ranch/Farm/Business worksheet at a team meeting. To assist you in this review, copies of a blank 1040, Schedule C and Schedule F are provided attached for your convenience.

EFFECTIVE CHANGE DATE

This change becomes effective upon receipt of this Change Announcement. It will remain in effect for approximately 6 months. At that time the Family Information and Cost Sharing worksheet will be revised.

Until then, follow the instructions in the revised Cost Sharing chapter for calculating cost sharing for ranch/farm/business. Disregard the instructions on the current Family Information and Cost Sharing worksheet for determining ranch/farm/business income using **only** Schedule F, line 11 or Schedule C, line 7.

LEADERSHIP CONTACT

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